



## Third Highway Project (P118023)

EUROPE AND CENTRAL ASIA | Azerbaijan | Transport Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2010 | Seq No: 23 | ARCHIVED on 27-Dec-2020 | ISR44986 |

Implementing Agencies: State Roads Agency, Ministry of Finance

## Key Dates

### Key Project Dates

Bank Approval Date: 25-May-2010

Effectiveness Date: 08-Nov-2010

Planned Mid Term Review Date: 01-Oct-2012

Actual Mid-Term Review Date: 06-Nov-2013

Original Closing Date: 31-Mar-2015

Revised Closing Date: 31-Mar-2021

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is "to contribute to a more efficient and safer Baku-Shamakhi road and higher quality roads services as part of the upgrading to motorway standards, and to improve the management of the nascent motorway network."

Has the Project Development Objective been changed since Board Approval of the Project Objective?

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

"To contribute to a more efficient and safer Baku-Shamakhi and Yenikend-Shorsulu roads and higher quality road services as part of the general network upgrading to motorway standard, and to improve the management of the nascent motorway network."

## Components Table

Name

Component 1: Motorway Improvement, including upgrading a 94 km section of M4 Baku-Shamakhi and 48 km section of M3 Yenikend-Shorsulu roads into a four-lane motorway.:(Cost \$369.60 M)

Component 2: Support for Motorway Maintenance Reform (management and financing Azerbaijan Motorways; institutional development of the ARS):(Cost \$19.35 M)

Component 3: Project Management and Institutional Support to ARS including technical assistance and financing additional costs for project implementation.:(Cost \$5.32 M)

## Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

## Implementation Status and Key Decisions

The Project is on track to meet its development objectives. Implementation of all key project activities has been timely completed, except the sub-component on construction of road maintenance offices and depots for the three motorway maintenance units. As of mid-December 2020, the total



project loan disbursements stand at about USD311.3 million (99.6% of the total current Bank commitments including additional financing). The project is scheduled to close on March 31, 2021.



**Risks**

**Systematic Operations Risk-rating Tool**



Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	□ Low	□ Low
Macroeconomic	--	□ Moderate	□ Low
Sector Strategies and Policies	--	□ Low	□ Low
Technical Design of Project or Program	--	□ Low	□ Low
Institutional Capacity for Implementation and Sustainability	--	□ Substantial	□ Moderate
Fiduciary	--	□ Moderate	□ Moderate
Environment and Social	--	□ Moderate	□ Moderate
Stakeholders	--	□ Low	□ Low
Other	--	□ Moderate	□ Moderate
Overall	--	□ Moderate	□ Moderate

## Results

### PDO Indicators by Objectives / Outcomes

To contribute to a more efficient and safer Baku-Shamakhi and Yenikend-Shorsulu roads

► Efficiency: Reduction in road user costs from Yenikend to Shorsulu (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	77.00	77.00	80.00
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	31-Dec-2019

► Efficiency: Reduction in road user costs from Baku to Shamakhi (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	70.00	70.00	80.00
Date	25-May-2010	22-Dec-2019	14-Dec-2020	31-Dec-2019

► Safety: Reduction of personal injury per 100-million vehicle-km along the Baku-Shamakhi road. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	29.00	29.00	70.00
Date	25-May-2010	22-Dec-2019	14-Dec-2020	31-Dec-2019

► Safety: Reduction of personal injury per 100-million vehicle-km along the Yenikend-Shorsulu road. (Percentage, Custom)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	24.00	24.00	70.00
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	31-Dec-2019

To contribute to higher quality road services as part of the network upgrading to motorway standard

► Quality: Percentage of M roads in good and fair condition as a share of total M roads of the network (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	55.00	90.00	90.00	70.00
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	31-Dec-2019
Comments:	The indicator is updated based on the recent comprehensive network survey			

To improve the management of the nascent motorway network

► RMUs to maintain 500km of M roads under service level parameters (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	774.00	774.00	500.00
Date	01-May-2016	22-Dec-2019	14-Dec-2020	31-Dec-2019
Comments:	While about 774km of motorways have been maintained under SLA parameters, the contract clauses related to payments, including calculation and application of penalties, were not yet fully operational. During the mission the MMU submitted evidence of resolving this issue so this challenge was resolved.			

### Intermediate Results Indicators by Components

Motorway Improvement

► Number of km upgraded for Baku-Shamakhi road (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	94.00	94.00	94.00
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	31-Dec-2019

► Number of km upgraded for Yenikend-Shorsulu road (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	0.00	50.00	50.00	48.00
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	31-Dec-2017
<b>► Roads constructed, non-rural (Kilometers, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	144.00	144.00	142.00
Date	25-May-2010	22-Dec-2019	14-Dec-2020	31-Dec-2019
<b>► Safety audits on detailed design. (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	25-May-2010	22-Dec-2019	14-Dec-2020	31-Dec-2018
<b>► Safety audits on construction completion. (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	25-May-2010	22-Dec-2019	14-Dec-2020	31-Dec-2019
<b>► Improvement in Road Users Satisfaction in Project Area with disaggregated gender information (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	21.00	79.00	79.00	75.00
Date	01-May-2016	22-Dec-2019	14-Dec-2020	31-Dec-2019

<b>Institutional Development and Support for Motorway Maintenance Reform</b>				
<b>► Design of a Motorway Guidelines. (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	25-May-2010	22-Dec-2019	14-Dec-2020	30-Sep-2016
<b>► Development of motorways management and maintenance strategy (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	Yes	Yes	Yes
Date	15-Jan-2014	22-Dec-2019	14-Dec-2020	30-Sep-2016
▶ Annual maintenance plan developed by MMU using road data base. (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	774.00	774.00	500.00
Date	01-May-2016	22-Dec-2019	14-Dec-2020	31-Dec-2019
▶ Rolling 2 year budget prepared by MMU for RMUs (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2016	22-Dec-2019	14-Dec-2020	31-Dec-2019

### Performance-Based Conditions

#### Data on Financial Performance

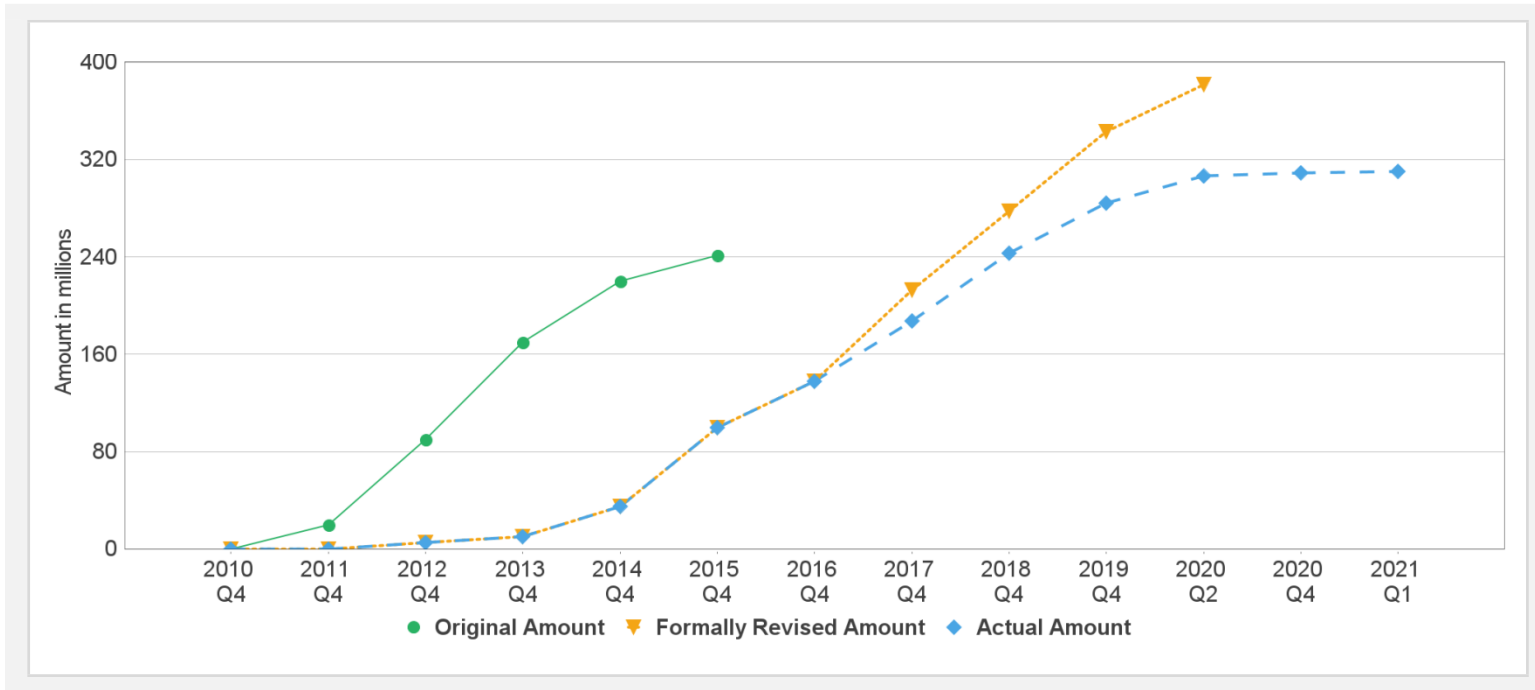
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P118023	IBRD-78890	Closed	USD	171.60	171.60	0.00	171.60	0.00	100%
P118023	IBRD-86020	Effective	USD	140.00	76.00	64.00	75.00	1.00	99%
P118023	IDA-47230	Closed	USD	70.00	69.82	0.18	64.69	0.00	100%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P118023	IBRD-78890	Closed	25-May-2010	11-Aug-2010	08-Nov-2010	31-Mar-2015	31-Dec-2019
P118023	IBRD-86020	Effective	28-Mar-2016	07-Apr-2016	29-Jun-2016	31-Dec-2019	31-Mar-2021
P118023	IDA-47230	Closed	25-May-2010	11-Aug-2010	08-Nov-2010	31-Mar-2015	31-Dec-2019

#### Cumulative Disbursements



**PBC Disbursement**

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC

**Restructuring History**

Level 1 Approved on 04-Dec-2013 ,Level 2 Approved on 31-Dec-2019 ,Level 2 Approved on 30-Jun-2020

**Related Project(s)**

P156377-Azerbaijan Highway 3 Additional Financing